



U.S. Small Business Administration  
Seattle District Office

## ***PRESS RELEASE***

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### **SBA ADJUSTS REVENUE-BASED SIZE STANDARDS FOR INFLATION, WIDENS ELIGIBILITY FOR AGENCY PROGRAMS**

**February 11, 2002 (Seattle, Washington)** -- The U.S. Small Business Administration (SBA) has increased its revenue-based size standards for small businesses by 15.8 percent to account for inflation since 1994, SBA Administrator Hector V. Barreto announced recently.

Since the size standards are used to determine whether a business is a small business for the purposes of eligibility for SBA programs, the inflation adjustments will make it possible for at least 8,600 companies to regain their eligibility as small businesses.

"This adjustment of SBA's size standards will restore small business status to many firms that became ineligible for SBA assistance because of inflation," said Bob Meredith, district director of the SBA Seattle District Office. "The adjustment does not impact industries where size, rather than revenue, determines small business status."

"Examples of types of businesses impacted by the new standards are women's clothing, which increased from \$6.5 million to \$7.5 million; florists, which increased from \$5 million to \$6 million; highway construction which increased from \$17 million to \$28.5 million; and electrical contracting which increased from \$7 million to \$12 million," continued Meredith.

The SBA adjusts the revenue-based size standards using the chain-type price index used by the Department of Commerce to measure inflation in the economy.

Revenue-based size standards for small businesses had not been updated for inflation since 1994. Industry sectors whose size standards had been changed for other criteria that also included inflation since 1994 will be adjusted accordingly to match the new percentage."

The new standards were published in the *Federal Register* on January 23, 2002, as an interim final rule with a 30-day comment period. They will become effective on February 22, 2002.

For additional information on the new size standards, visit the SBA's Office of Size Standards Web page at [www.sba.gov/size](http://www.sba.gov/size), and click on "What's New?"

*For more information on all of SBA's programs for small businesses, call the Seattle District Office at 206-553-7310, visit the office in downtown Seattle at 1200 Sixth Avenue, Suite 1700, or visit the SBA's web site at [www.sba.gov/wa](http://www.sba.gov/wa).*

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